

| | | | | | | | | | | | |
|---|--|--|--|--|--|---|--|-------------------|--|--|--|
| Form 1040 | | Department of the Treasury — Internal Revenue Service (99) | | U.S. Individual Income Tax Return | | 2012 | | OMB No. 1545-0074 | | IRS Use Only — Do not write or staple in this space. | |
| For the year Jan 1 - Dec 31, 2012, or other tax year beginning 2012, ending 20 | | | | | | See separate instructions. | | | | | |
| Your first name and initial JUAN D. REYES | | | | | | Last name REYES | | | | | |
| If a joint return, spouse's first name and initial CATHERINE REYES | | | | | | Last name REYES | | | | | |
| Home address (number and street). If you have a P.O. box, see instructions. 72 DARTMOUTH STREET | | | | | | Apartment no. OCT 25 2017 | | | | | |
| City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions). FOREST HILLS, NY 11375 | | | | | | Foreign province/state/country Area 7 - Territory 2 Milwaukee, WI | | | | | |
| Filing Status | | | | | | Presidential Election Campaign | | | | | |
| 1 <input type="checkbox"/> Single 2 <input checked="" type="checkbox"/> Married filing jointly (even if only one had income) 3 <input type="checkbox"/> Married filing separately. Enter spouse's SSN above & full name here. 4 <input type="checkbox"/> Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. 5 <input type="checkbox"/> Qualifying widow(er) with dependent child | | | | | | Check here if you, or your spouse if filing jointly, want \$3 to go to this fund? Checking a box below will not change your tax or refund. <input checked="" type="checkbox"/> You <input checked="" type="checkbox"/> Spouse | | | | | |
| Exemptions | | | | | | Boxes checked on 6a and 6b. No. of children on 6c who: | | | | | |
| 6a <input checked="" type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a. | | | | | | 2 | | | | | |
| 6b <input checked="" type="checkbox"/> Spouse | | | | | | | | | | | |
| c Dependents: | | | | | | | | | | | |
| (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) <input checked="" type="checkbox"/> if child under age 17 qualifying for child tax cr (see instrs) | | | | | | | | | | | |
| If more than four dependents, see instructions and check here <input type="checkbox"/> | | | | | | • lived with you • did not live with you due to divorce or separation (see instrs). Dependents on 6c not entered above. Add numbers on lines above | | | | | |
| d Total number of exemptions claimed | | | | | | 2 | | | | | |
| Income | | | | | | | | | | | |
| 7 Wages, salaries, tips, etc. Attach Form(s) W-2 | | | | | | 7 20,000. | | | | | |
| 8a Taxable interest. Attach Schedule B if required | | | | | | 8a | | | | | |
| b Tax-exempt interest. Do not include on line 8a | | | | | | 8b | | | | | |
| 9a Ordinary dividends. Attach Schedule B if required | | | | | | 9a | | | | | |
| b Qualified dividends | | | | | | 9b | | | | | |
| 10 Taxable refunds, credits, or offsets of state and local income taxes | | | | | | 10 | | | | | |
| 11 Alimony received | | | | | | 11 | | | | | |
| 12 Business income or (loss). Attach Schedule C or C-EZ | | | | | | 12 | | | | | |
| 13 Capital gain or (loss). Att Sch D if reqd. If not reqd, ck here <input type="checkbox"/> | | | | | | 13 | | | | | |
| 14 Other gains or (losses). Attach Form 4797 | | | | | | 14 | | | | | |
| 15a IRA distributions | | | | | | 15a | | | | | |
| b Taxable amount | | | | | | 15b 2,180. | | | | | |
| 16a Pensions and annuities | | | | | | 16a | | | | | |
| b Taxable amount | | | | | | 16b 20,000. | | | | | |
| 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E | | | | | | 17 | | | | | |
| 18 Farm income or (loss). Attach Schedule F | | | | | | 18 | | | | | |
| 19 Unemployment compensation | | | | | | 19 | | | | | |
| 20a Social security benefits | | | | | | 20a 35,314. | | | | | |
| b Taxable amount | | | | | | 20b 19,461. | | | | | |
| 21 Other income See Statement 1 | | | | | | 21 | | | | | |
| 22 Combine the amounts in the far right column for lines 7 through 21. This is your total income | | | | | | 22 61,641. | | | | | |
| Adjusted Gross Income | | | | | | | | | | | |
| 23 Educator expenses | | | | | | 23 | | | | | |
| 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ | | | | | | 24 | | | | | |
| 25 Health savings account deduction. Attach Form 8889 | | | | | | 25 | | | | | |
| 26 Moving expenses. Attach Form 3903 | | | | | | 26 | | | | | |
| 27 Deductible part of self-employment tax. Attach Schedule SE | | | | | | 27 | | | | | |
| 28 Self-employed SEP, SIMPLE, and qualified plans | | | | | | 28 | | | | | |
| 29 Self-employed health insurance deduction | | | | | | 29 | | | | | |
| 30 Penalty on early withdrawal of savings | | | | | | 30 | | | | | |
| 31a Alimony paid b Recipient's SSN | | | | | | 31a | | | | | |
| 32 IRA deduction | | | | | | 32 | | | | | |
| 33 Student loan interest deduction | | | | | | 33 | | | | | |
| 34 Tuition and fees. Attach Form 8917 | | | | | | 34 | | | | | |
| 35 Domestic production activities deduction. Attach Form 8903 | | | | | | 35 | | | | | |
| 36 Add lines 23 through 35 | | | | | | 36 0. | | | | | |
| 37 Subtract line 36 from line 22. This is your adjusted gross income | | | | | | 37 61,641. | | | | | |

BAA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

FDIA0112L 01/11/13

Form 1040 (2012)

Exhibit
Q

| Form 1040 (2012) | | JUAN D. AND CATHERINE REYES | | 0937 | | Page 2 | |
|---|--|---|--|--|--|--------------------------------------|-------|
| Tax and Credits | | 38 | Amount from line 37 (adjusted gross income) | 38 | 61,641. | | |
| 39a Check <input checked="" type="checkbox"/> You were born before January 2, 1948, <input type="checkbox"/> Blind. Total boxes if: <input checked="" type="checkbox"/> Spouse was born before January 2, 1948, <input type="checkbox"/> Blind. checked <input type="checkbox"/> 39a 2 | | | | | | | |
| b If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b | | | | | | | |
| Standard Deduction for – • People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions. • All others: Single or Married filing separately, \$5,950 Married filing jointly or Qualifying widow(er), \$11,900 Head of household, \$8,700 | 40 | Itemized deductions (from Schedule A) or your standard deduction (see left margin) | 40 | 27,735. | | | |
| | 41 | Subtract line 40 from line 38. | 41 | 33,906. | | | |
| | 42 | Exemptions. Multiply \$3,800 by the number on line 6d | 42 | 7,600. | | | |
| | 43 | Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- | 43 | 26,306. | | | |
| | 44 | Tax (see instrs). Check if any from: a <input type="checkbox"/> Form(s) 8814 c <input type="checkbox"/> 962 election b <input type="checkbox"/> Form 4972 | 44 | 3,079. | | | |
| | 45 | Alternative minimum tax (see instructions). Attach Form 6251. | 45 | 0. | | | |
| | 46 | Add lines 44 and 45 | 46 | 3,079. | | | |
| | 47 | Foreign tax credit. Attach Form 1116 if required | 47 | | | | |
| | 48 | Credit for child and dependent care expenses. Attach Form 2441 | 48 | | | | |
| | 49 | Education credits from Form 8863, line 19 | 49 | | | | |
| 50 | Retirement savings contributions credit. Attach Form 8880. | 50 | | | | | |
| 51 | Child tax credit. Attach Schedule 8812, if required | 51 | | | | | |
| 52 | Residential energy credits. Attach Form 5695 | 52 | | | | | |
| 53 | Other crs from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/> | 53 | | | | | |
| 54 | Add lines 47 through 53. These are your total credits | 54 | | | | | |
| 55 | Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- | 55 | 3,079. | | | | |
| Other Taxes | | 56 | Self-employment tax. Attach Schedule SE | 56 | | | |
| 57 | Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919 | 57 | | | | | |
| 58 | Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required | 58 | | | | | |
| 59a | Household employment taxes from Schedule H | 59a | | | | | |
| b | First-time homebuyer credit repayment. Attach Form 5405 if required | 59b | | | | | |
| 60 | Other taxes. Enter code(s) from instructions | 60 | | | | | |
| 61 | Add lines 55-60. This is your total tax | 61 | 3,079. | | | | |
| Payments | | 62 | Federal income tax withheld from Forms W-2 and 1099 | 62 | 6,724. | | |
| If you have a qualifying child, attach Schedule EIC. | 63 | 2012 estimated tax payments and amount applied from 2011 return | 63 | | | | |
| | 64a | Earned income credit (EIC) | 64a | | | | |
| | b | Non-taxable combat pay election | 64b | | | | |
| | 65 | Additional child tax credit. Attach Schedule 8812 | 65 | | | | |
| | 66 | American opportunity credit from Form 8863, line 8 | 66 | | | | |
| | 67 | Reserved | 67 | | | | |
| | 68 | Amount paid with request for extension to file | 68 | | | | |
| | 69 | Excess social security and tier 1 RRTA tax withheld | 69 | | | | |
| | 70 | Credit for federal tax on fuels. Attach Form 4136 | 70 | | | | |
| | 71 | Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8801 d <input type="checkbox"/> 8885 | 71 | | | | |
| 72 | Add lines 62, 63, 64a, & 65-71. These are your total pmts | 72 | 6,724. | | | | |
| Refund | | 73 | If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid. | 73 | 3,645. | | |
| 74a | Amount of line 73 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/> | 74a | 3,645. | | | | |
| Direct deposit? See instructions. | | b | Routing number: XXXXXXXXXXXX | c | Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings | | |
| d | Account number: XXXXXXXXXXXXXXXXXXXXXXXXXX | | | | | | |
| 75 | Amount of line 73 you want applied to your 2013 estimated tax | 75 | | | | | |
| Amount You Owe | | 76 | Amount you owe. Subtract line 72 from line 61. For details on how to pay see instructions. | 76 | | | |
| 77 | Estimated tax penalty (see instructions) | 77 | | | | | |
| Third Party Designee | | Do you want to allow another person to discuss this return with the IRS (see instructions)? <input checked="" type="checkbox"/> Yes. Complete below. <input type="checkbox"/> No | | | | | |
| Designee's name | SIDNEY YOSKOWITZ CPA | | Phone no. | (516) 466-6650 | | Personal identification number (PIN) | 18762 |
| Sign Here | | Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge | | | | | |
| Joint return? See instructions. | Your signature | Date | Your occupation | Daytime phone number | | | |
| Keep a copy for your records. | Spouse's signature. If a joint return, both must sign. | Date | Spouse's occupation | If the IRS sent you an identity Protection PIN, enter it here (see instrs) | | | |
| Print/type preparer's name | Preparer's signature | | Date | Check <input type="checkbox"/> if self-employed | PTIN | | |
| SIDNEY YOSKOWITZ CPA | | | | P01418762 | | | |
| Firm's name | | Firm's address | | Firm's EIN | | Phone no. | |
| SIDNEY YOSKOWITZ & ASSOCIATES, LLP | | 445 NORTHERN BLVD STE 36 GREAT NECK, NY 11021-4804 | | 4090 | | (516) 466-6650 | |

SCHEDULE A
 (Form 1040)

Itemized Deductions

OMB No. 1545-0074

2012
Attachment
Sequence No. **07**Department of the Treasury
Internal Revenue Service (99)
 ▶ Information about Schedule A and its separate instructions is at www.irs.gov/form1040.
 ▶ Attach to Form 1040.

Name(s) shown on Form 1040

JUAN D. AND CATHERINE REYES

 Security number
0937

| | | | | | |
|---|---|---|---------|----|---------|
| Medical and Dental Expenses | | Caution. Do not include expenses reimbursed or paid by others. | | | |
| 1 | Medical and dental expenses (see instructions) | 1 | 2,396. | | |
| 2 | Enter amount from Form 1040, line 38 | 2 | 61,641. | | |
| 3 | Multiply line 2 by 7.5% (.075) | 3 | 4,623. | | |
| 4 | Subtract line 3 from line 1. If line 3 is more than line 1, enter -0- | 4 | | | 0. |
| Taxes You Paid | | 5 State and local (check only one box): | | | |
| a | <input checked="" type="checkbox"/> Income taxes, or | 5 | 694. | | |
| b | <input type="checkbox"/> General sales taxes | | | | |
| 6 | Real estate taxes (see instructions) | 6 | 16,249. | | |
| 7 | Personal property taxes | 7 | | | |
| 8 | Other taxes. List type and amount ▶ | 8 | | | |
| 9 | Add lines 5 through 8 | 9 | | | 16,943. |
| Interest You Paid | | 10 Home mtg interest and points reported to you on Form 1098 | | 10 | 10,042. |
| Note. Your mortgage interest deduction may be limited (see instructions). | | 11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying number, and address ▶ | | 11 | |
| | | | | 12 | |
| | | | | 13 | |
| | | | | 14 | |
| | | | | 15 | 10,042. |
| Gifts to Charity | | 16 Gifts by cash or check. If you made any gift of \$250 or more, see instrs. | | 16 | 750. |
| If you made a gift and got a benefit for it, see instructions. | | 17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500. | | 17 | |
| | | 18 Carryover from prior year. | | 18 | |
| | | 19 Add lines 16 through 18 | | 19 | 750. |
| Casualty and Theft Losses | | 20 Casualty or theft loss(es). Attach Form 4684. (See instructions.) | | 20 | 0. |
| Job Expenses and Certain Miscellaneous Deductions | | 21 Unreimbursed employee expenses — job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶ | | 21 | |
| | | | | 22 | |
| | | | | 23 | |
| | | | | 24 | |
| | | | | 25 | |
| | | | | 26 | |
| | | | | 27 | 0. |
| Other Miscellaneous Deductions | | 28 Other — from list in instructions. List type and amount ▶ | | 28 | 0. |
| Total Itemized Deductions | | 29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40 | | 29 | 27,735. |
| | | 30 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/> | | | |

SCHEDULE B
(Form 1040A or 1040)**Interest and Ordinary Dividends**

OMB No. 1545-0074

2012Attachment
Sequence No. **08**Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040A or 1040.

▶ Information about Schedule B (Form 1040A or 1040) and its instructions is at www.irs.gov/form1040

Name(s) shown on return

Your social security number

JUAN D. AND CATHERINE REYES

0937

Part I
Interest(See
instructions for
Form 1040A, or
Form 1040, line
8a.)**Note.** If you
received a Form
1099-INT, Form
1099-OID, or
substitute statement
from a brokerage
firm, list the firm's
name as the payer
and enter the total
interest shown on
that form.**1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ▶

Amount

1

- 2** Add the amounts on line 1 **2**
- 3** Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 **3**
- 4** Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a. **4** 0.

Note. If line 4 is over \$1,500, you must complete Part III.

Amount

Part II**Ordinary
Dividends**(See
instructions for
Form 1040A, or
Form 1040,
line 9a.)**Note.** If you received
a Form 1099-DIV or
substitute statement
from a brokerage
firm, list the firm's
name as the payer
and enter the
ordinary dividends
shown on that form.**5** List name of payer ▶

5

6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a. **6** 0.**Note.** If line 6 is over \$1,500, you must complete Part III.

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes

No

Part III
**Foreign
Accounts
and Trusts**(See
instructions.)**7 a** At any time during 2012, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions. **X**

If "Yes," are you required to file Form TD F 90-22.1 to report that financial interest or signature authority? See Form TD F 90-22.1 and its instructions for filing requirements and exceptions to those requirements

b If you are required to file Form TD F 90-22.1, enter the name of the foreign country where the financial account is located ▶**8** During 2012, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions. **X**

SCHEDULE C
(Form 1040)Profit or Loss From Business
(Sole Proprietorship)

OMB No. 1545-0074

2012

Attachment
Sequence No. 09Department of the Treasury
Internal Revenue Service (99)▶ For information on Schedule C and its instructions, go to www.irs.gov/schedulec.
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

JUAN D. REYES

Social security number (SSN)

0937

A Principal business or profession, including product or service (see instructions)

PHYSICIAN

B Enter code from instructions

▶ 621111

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), (see instrs)

E Business address (including suite or room no.) ▶

City, town or post office, state, and ZIP code

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶G Did you 'materially participate' in the operation of this business during 2012? If 'No,' see instructions for limit on losses. ☒ Yes ☐ NoH If you started or acquired this business during 2012, check here ▶ ☐I Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ NoJ If 'Yes,' did you or will you file all required Forms 1099? ☐ Yes ☐ No

Part I Income

| | | |
|---|---|----------|
| 1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the 'Statutory employee' box on that form was checked. <input type="checkbox"/> | 1 | 159,128. |
| 2 Returns and allowances (see instructions) | 2 | 159,128. |
| 3 Subtract line 2 from line 1. | 3 | |
| 4 Cost of goods sold (from line 42) | 4 | |
| 5 Gross profit. Subtract line 4 from line 3. | 5 | |
| 6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions) | 6 | |
| 7 Gross income. Add lines 5 and 6 | 7 | |

Part II Expenses. Enter expenses for business use of your home only on line 30.

| | | | | | |
|--|------|----|---|------|--|
| 8 Advertising | 8 | | 18 Office expense (see instructions) | 18 | |
| 9 Car and truck expenses (see instructions) | 9 | | 19 Pension and profit-sharing plans | 19 | |
| 10 Commissions and fees | 10 | | 20 Rent or lease (see instructions): | | |
| 11 Contract labor (see instructions) | 11 | | a Vehicles, machinery, and equipment | 20 a | |
| 12 Depletion | 12 | | b Other business property | 20 b | |
| 13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions) | 13 | | 21 Repairs and maintenance | 21 | |
| 14 Employee benefit programs (other than on line 19) | 14 | | 22 Supplies (not included in Part III) | 22 | |
| 15 Insurance (other than health) | 15 | | 23 Taxes and licenses | 23 | |
| 16 Interest: | | | 24 Travel, meals, and entertainment: | | |
| a Mortgage (paid to banks, etc.) | 16 a | | a Travel | 24 a | |
| b Other | 16 b | | b Deductible meals and entertainment (see instructions) | 24 b | |
| 17 Legal & professional services | 17 | | 25 Utilities | 25 | |
| 28 Total expenses before expenses for business use of home. Add lines 8 through 27a | 28 | | 26 Wages (less employment credits) | 26 | |
| 29 Tentative profit or (loss). Subtract line 28 from line 7 | 29 | | 27 a Other expenses (from line 48) | 27 a | |
| 30 Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere | 30 | | b Reserved for future use | 27 b | |
| 31 Net profit or (loss). Subtract line 30 from line 29. | 31 | 0. | | | |
| • If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. | | | | | |
| • If a loss, you must go to line 32. | | | | | |
| 32 If you have a loss, check the box that describes your investment in this activity (see instructions). | | | | | |
| • If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the instructions for line 31). Estates and trusts, enter on Form 1041, line 3. | | | 32 a <input type="checkbox"/> All investment is at risk. | | |
| • If you checked 32b, you must attach Form 6198. Your loss may be limited. | | | 32 b <input type="checkbox"/> Some investment is not at risk. | | |

BAA For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2012

FD/2012L 01/03/13

IRS_0000455

Schedule E (Form 1040) 2012

Page 2

Name(s) shown on return. Do not enter name and social security number if shown on Page 1.

Internal Revenue Service

Your social security number

JUAN D. AND CATHERINE REYES

SP/SE - Compliance Field

0937

Caution: The IRS compares amounts reported on your tax return with amounts shown on Schedule(s) K-1.

Part II Income or Loss From Partnerships and S Corporations

Note. If you report a loss from an at-risk activity for which any amount is not at risk, you must check the box in column (e) on line 28 and attach Form 6198. See instructions.

- 27 Are you reporting any loss not allowed in a prior year due to the at-risk loss limitations, a prior year unallowed loss from a passive activity (if that loss was not reported on Form 8582), or unreimbursed partnership expenses? ☐ Yes ☒ No
- If you answered 'Yes,' see instructions before completing this section.

| 28 | (a) Name | (b) Enter P for partnership; S for S corporation | (c) Check if foreign partnership | (d) Employer identification number | (e) Check if any amount is not at risk |
|----|-----------------|--|----------------------------------|------------------------------------|--|
| A | 424 AVALINE LLC | P | | 3603 | |
| B | 424 AVALINE LLC | P | | 3603 | |
| C | 91 AVALINE LLC | P | | 3789 | |
| D | 91 AVALINE LLC | P | | 3789 | |

| Passive Income and Loss | | Nonpassive Income and Loss | | |
|---|--------------------------------------|---------------------------------------|--|---|
| (f) Passive loss allowed (attach Form 8582 if required) | (g) Passive income from Schedule K-1 | (h) Nonpassive loss from Schedule K-1 | (i) Section 179 expense deduction from Form 4562 | (j) Nonpassive income from Schedule K-1 |
| A | | | | |
| B | | | | |
| C | | | | |
| D | | | | |
| 29 a Totals | | | | |
| b Totals | | | | |
| 30 Add columns (g) and (j) of line 29a | | | 30 | |
| 31 Add columns (f), (h), and (i) of line 29b | | | 31 | |
| 32 Total partnership and S corporation income or (loss). Combine lines 30 and 31. Enter the result here and include in the total on line 41 below | | | 32 | |

Part III Income or Loss From Estates and Trusts

| 33 | (a) Name | (b) Employer ID no. |
|----|----------|---------------------|
| A | | |
| B | | |

| Passive Income and Loss | | Nonpassive Income and Loss | |
|--|--------------------------------------|---|------------------------------------|
| (c) Passive deduction or loss allowed (attach Form 8582 if required) | (d) Passive income from Schedule K-1 | (e) Deduction or loss from Schedule K-1 | (f) Other income from Schedule K-1 |
| A | | | |
| B | | | |
| 34 a Totals | | | |
| b Totals | | | |
| 35 Add columns (d) and (f) of line 34a | | | 35 |
| 36 Add columns (c) and (e) of line 34b | | | 36 |
| 37 Total estate and trust income or (loss). Combine lines 35 and 36. Enter the result here and include in the total on line 41 below | | | 37 |

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs) – Residual Holder

| 38 | (a) Name | (b) Employer identification number | (c) Excess inclusion from Schedules Q, line 2c (see instructions) | (d) Taxable income (net loss) from Schedules Q, line 1b | (e) Income from Schedules Q, line 3b |
|----|---|------------------------------------|---|---|--------------------------------------|
| 39 | Combine columns (d) and (e) only. Enter the result here and include in the total on line 41 below | | | | 39 |

Part V Summary

| | | | |
|----|---|----|--|
| 40 | Net farm rental income or (loss) from Form 4835. Also, complete line 42 below | 40 | |
| 41 | Total income or (loss). Combine lines 26, 32, 37, 39, and 40. Enter the result here and on Form 1040, line 17, or Form 1040NR, line 18 | 41 | |
| 42 | Reconciliation of farming and fishing income. Enter your gross farming and fishing income reported on Form 4835, line 7; Schedule K-1 (Form 1065), box 14, code B; Schedule K-1 (Form 1120S), box 17, code U; and Schedule K-1 (Form 1041), box 14, code F (see instructions) | 42 | |
| 43 | Reconciliation for real estate professionals. If you were a real estate professional (see instructions), enter the net income or (loss) you reported anywhere on Form 1040 or Form 1040NR from all rental real estate activities in which you materially participated under the passive activity loss rules | 43 | |

Form **8582****Passive Activity Loss Limitations**

OMB No. 1545-1008

2012Attachment
Sequence No. **88**Department of the Treasury
Internal Revenue Service (99)▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.▶ Information about Form 8582 and its instructions is available at www.irs.gov/form8582.

Name(s) shown on return

Identifying number

JUAN D. AND CATHERINE REYES**0937****Part I 2012 Passive Activity Loss**

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see **Special Allowance for Rental Real Estate Activities** in the instructions.)

| | | | |
|--|-----|-----|--|
| 1 a Activities with net income (enter the amount from Worksheet 1, column (a)) | 1 a | | |
| b Activities with net loss (enter the amount from Worksheet 1, column (b)) | 1 b | | |
| c Prior years unallowed losses (enter the amount from Worksheet 1, column (c)) | 1 c | | |
| d Combine lines 1a, 1b, and 1c | | 1 d | |

Commercial Revitalization Deductions From Rental Real Estate Activities

| | | | |
|--|-----|-----|--|
| 2 a Commercial revitalization deductions from Worksheet 2, column (a) | 2 a | | |
| b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b) | 2 b | | |
| c Add lines 2a and 2b | | 2 c | |

All Other Passive Activities

| | | | |
|--|-----|----------|----------|
| 3 a Activities with net income (enter the amount from Worksheet 3, column (a)) | 3 a | | |
| b Activities with net loss (enter the amount from Worksheet 3, column (b)) | 3 b | -32,188. | |
| c Prior years unallowed losses (enter the amount from Worksheet 3, column (c)) | 3 c | -35,790. | |
| d Combine lines 3a, 3b, and 3c | | 3 d | -67,978. |

| | | | |
|---|---|--|----------|
| 4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used | 4 | | -67,978. |
|---|---|--|----------|

- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

| | | |
|--|----|---------|
| 5 Enter the smaller of the loss on line 1d or the loss on line 4 | 5 | |
| 6 Enter \$150,000. If married filing separately, see the instructions | 6 | |
| 7 Enter modified adjusted gross income, but not less than zero (see instrs) | 7 | 42,180. |
| Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8. | | |
| 8 Subtract line 7 from line 6 | 8 | |
| 9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see instructions. | 9 | |
| 10 Enter the smaller of line 5 or line 9 | 10 | 0. |
| If line 2c is a loss, go to Part III. Otherwise, go to line 15. | | |

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

| | | |
|--|----|--|
| 11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions. | 11 | |
| 12 Enter the loss from line 4 | 12 | |
| 13 Reduce line 12 by the amount on line 10 | 13 | |
| 14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13 | 14 | |

Part IV Total Losses Allowed

| | | |
|---|----|--|
| 15 Add the income, if any, on lines 1a and 3a and enter the total | 15 | |
| 16 Total losses allowed from all passive activities for 2012. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return. | 16 | |

BAA For Paperwork Reduction Act Notice, see instructions.

Form **8582** (2012)

2012

Federal Statements

Page 1

Client REY0937

JUAN D. AND CATHERINE REYES

0937

9/30/14

04:45PM

Statement 1
Form 1040, Line 21
Other Income

| | | |
|-----------------------------------|----|-----------|
| NATIONAL GOVERNMENT SERVICES..... | \$ | 159,128. |
| WRONG ID# ISSUED ON 1099..... | | -159,128. |
| Total | \$ | <u>0.</u> |